

C O N F I D E N T I A L EYES ONLY

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MAY 2, 1974

TO: PETER RODMAN
FOR: HENRY A. KISSINGER
FROM: BRENT SCOWCROFT

SHULTZ HAS MADE THE FOLLOWING REPLY TO YOUR NOTE ON THE
\$54 BILLION UN FUND (HAKTO 09):

QUOTE

DEAR HENRY:

I APPRECIATE YOUR LETTER ABOUT THE CURRENT GENERAL ASSEMBLY
CONSIDERATION OF A SPECIAL PROGRAM OF EMERGENCY MEASURES TO AID
DISADVANTAGED DEVELOPING COUNTRIES, INCLUDING IN PARTICULAR THE
ESTABLISHMENT OF A SPECIAL FUND.

MY FEELING IS THAT THE U.S. SHOULD COOPERATE WITH OTHER
COUNTRIES IN ATTEMPTING TO SET UP APPROPRIATE MULTI-LATERAL
ARRANGEMENTS TO FACILITATE THE FLOW OF RESOURCES TO THESE
COUNTRIES, AND I THINK WE SHOULD KEEP OPEN THE POSSIBILITY
THAT OUR SITUATION, PARTICULARLY WITH RESPECT TO POSSIBLE
FUTURE EXPORTS OF AGRICULTURAL PRODUCTS ON PL-480 TERMS, WILL
PERMIT US IN TIME TO MAKE A CONTRIBUTION. ON THE OTHER HAND,
I GATHER THAT THE US-UN FLOATING OF THE IDEA OF A GENERAL
TARGET DID NOT DETER THE LDC DRIVE TO VOTE A SPECIFIC NEW
FUND IN THE UN. IN MY JUDGMENT IT WOULD BE A SERIOUS MISTAKE
FOR US TO DEMONSTRATE ANY SYMPATHY FOR SUCH A FUND, PARTICULARLY
IN VIEW OF THE FACT THAT SINCE WE HAVE NOT CONSULTED
CONGRESS WE WOULD RUN A SERIOUS RISK OF TORPEDO-ING THE IDA
REPLENISHMENT. MOREOVER, THERE ARE STRONG GROUNDS FOR DOUBT
THAT A ONE-NATION ONE-VOTE FUND IN THE UN WOULD ATTRACT WIDE-
SPREAD CONTRIBUTIONS.

On file TREA release
instructions apply

SINCERELY YOURS,
/S/ GEORGE P. SHULTZ

UNQUOTE.

WARM REGARDS.

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ON-FILE NSC RELEASE
INSTRUCTIONS APPLY

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